

OPPORTUNITY ZONE INVESTMENT PROSPECTUS

Tamarac, Florida

Miami–Fort Lauderdale–West Palm Beach Metro Area



WHY INVEST IN TAMARAC, FLORIDA?

Tamarac is Open for Business

Situated in the heart of Broward County in South Florida between the Florida Everglades and the Atlantic Ocean, Tamarac is a rapidly growing and changing city. Tamarac's residential population has grown by 16% since 2000 as part of the South Florida region's population surge. Originally a retirement community, Tamarac is becoming a younger city with a decreasing median age as new families are added to the community, and median incomes are rising as well. We are a multicultural, multigenerational thriving community at the heart of a metro area with 6 million people. We're an agile and financially resilient community with a central location and untold potential.

The business community is investing heavily in Tamarac. In the last few years, developers have added more than 1,300 new residential units here, and several hundred more are in the pipeline. New hotels are currently being constructed, and a major mixed-use project known as "Tamarac Village" is under construction that will create a new downtown area for our City. We've had several major multi-million dollar corporate expansions recently in our Commerce Park, as well as a major new spec industrial project breaking ground totaling 350,000 square feet.

With development booming in Tamarac, we're focusing our economic development efforts on our commercial corridors and revitalizing aging and underutilized shopping centers. One of the City's targeted commercial redevelopment areas, Four Corners Shopping District, falls within our federally designated Opportunity Zone (also designated for the federal New Market Tax Credit and Community Development Block Grant programs).

Tamarac is laying the groundwork for the future and we have invested in an expanded fiber optic network for greater connectivity and smart infrastructure. From bringing new life to outdated shopping plazas to new housing options for a broad spectrum, to programs and services for every segment of our community, it's all happening here.

We have a vision for our commercial redevelopment opportunities in Tamarac. We're focused on the future in Tamarac and it shows. This is why investors realize that for Tamarac, the time is now.



TAMARAC'S COMPETITIVE ADVANTAGES

Business Made Easy – Exceptional Value in Tamarac

- Ample commercial redevelopment opportunities in a rapidly growing market, ripe for commercial investment in a community adding 1,000's of new residential units, new hotels, and spec industrial; with a decreasing median age and rising income levels
- Two adjacent federal Opportunity Zones, New Market Tax Credits, Foreign Trade Zones, Qualified Target Industry tax refund
- No state income tax
- Lower cost of doing business
- Increasing property values with a stable tax rate in a healthy financial environment where your business can thrive (Tamarac has a AA bond rating by Standard & Poor's)
- Concierge for expedited development permits
- New form-based code = Right development, right place

"The City of Tamarac has really become our home and we are delighted to be here. Our location is perfect for our South Florida market. We deliver from north of Stuart to the Keys to Naples and Fort Myers every day, and we are right in the middle of that 7.2 million people population. If we could go anywhere, we would pick Tamarac again." - Keith Koenig, President, City Furniture

Tamarac At the Center of it All

- 7th largest metropolitan statistical area in the U.S. by population
- Minutes to 5 major highways
- Within 30 minutes of Fort Lauderdale-Hollywood International Airport, Port Everglades, Amtrak, Brightline/Virgin Trains USA and Tri-Rail
- Minutes to Fort Lauderdale Executive Airport
- 1 hour from Miami-Dade and Palm Beach County's international airports and seaports

Regional Powerhouse

- Home to more than 200 corporate headquarters, the Greater Fort Lauderdale area is a major business center
- 35 colleges and universities with one of the largest and most diverse labor forces in the state of Florida, along with a growing talent pool
- A gateway to the world with vital international business expertise and the third largest concentration of consular corps in the United States



DEVELOPMENT IS BOOMING IN TAMARAC

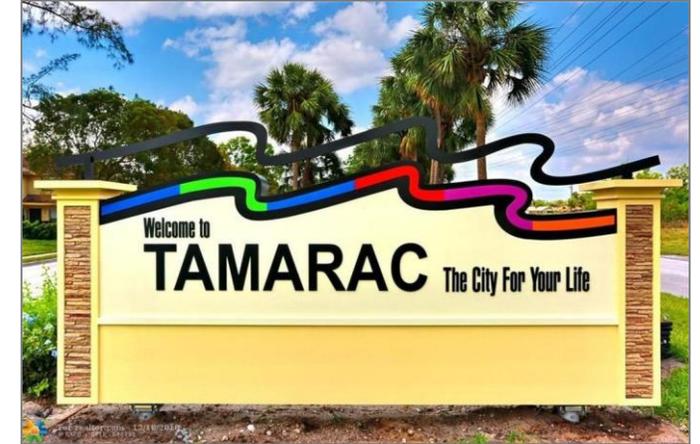
Just A Few Examples Include...



Tamarac Village will be our new downtown area. Developers broke ground in March 2019. The project will include 400+ new residential units and 35,000 SF commercial.



An aerial overlooking Tamarac's Community Center and the community.



With 214-new single family homes, Hidden Trails (located in the Opportunity Zone) is just one of the many new large-scale residential construction projects happening in Tamarac. In the last five years, 1,300+ new residential units have been constructed and hundreds more are in the pipeline.



This new 123-room hotel is nearly finished at Commercial & Sawgrass Expy.



Under construction now, the Colony West project includes a new 18,000 SF golf clubhouse and event space, as well as a new 120-room hotel.



Headquartered in Tamarac's Commerce Park, pharmaceutical manufacturing company Unipharma recently completed a \$150 million expansion. Plans for another spec industrial project in the Commerce Park were recently approved for two buildings totaling 350,000 SF.

TAMARAC'S DEMAND DRIVERS FOR INVESTORS

LOCATION LOCATION LOCATION

Tamarac is strategically located in the center of Broward County, between Miami-Dade and Palm Beach Counties.

POPULATION GROWTH

The City of Tamarac residential population has grown by 8.3% since 2010.

ROOFTOPS

With 3,400+ units existing (with additional in the development pipeline), multifamily occupancy rates are between 91-95 percent.

HOUSEHOLD INCOME

Tamarac residents have an average household income of \$58,295, which is expected to increase by 18% over the next five years.

RETAIL EXPENDITURES

Tamarac residents spend \$739 million on retail purchases annually, but almost \$10 million is spent outside of the City.

FOOD AND DRINK EXPENDITURES

Tamarac residents spend \$53 million on food and drink each year, but almost \$21 million is spent outside the City.

BUSINESS-FRIENDLY / PRO-GROWTH ENVIRONMENT

Pro-business environment with a favorable tax structure, government policies and competitive cost of doing business.

JOB GROWTH

A low unemployment rate is driven by job growth YOY within the industrial and office sectors – trade, transportation, and utilities (+3,900 jobs); professional and business services (+2,900 jobs); education and health services (+2,800 jobs); construction (+2,200 jobs).

CONNECTIVITY

Direct highway access to the Sawgrass Expressway and ease of access to the Florida Turnpike and Interstate-595.

SUBURBAN SHIFT

As office tenants become priced out of downtown rents, they seek space in the suburbs.

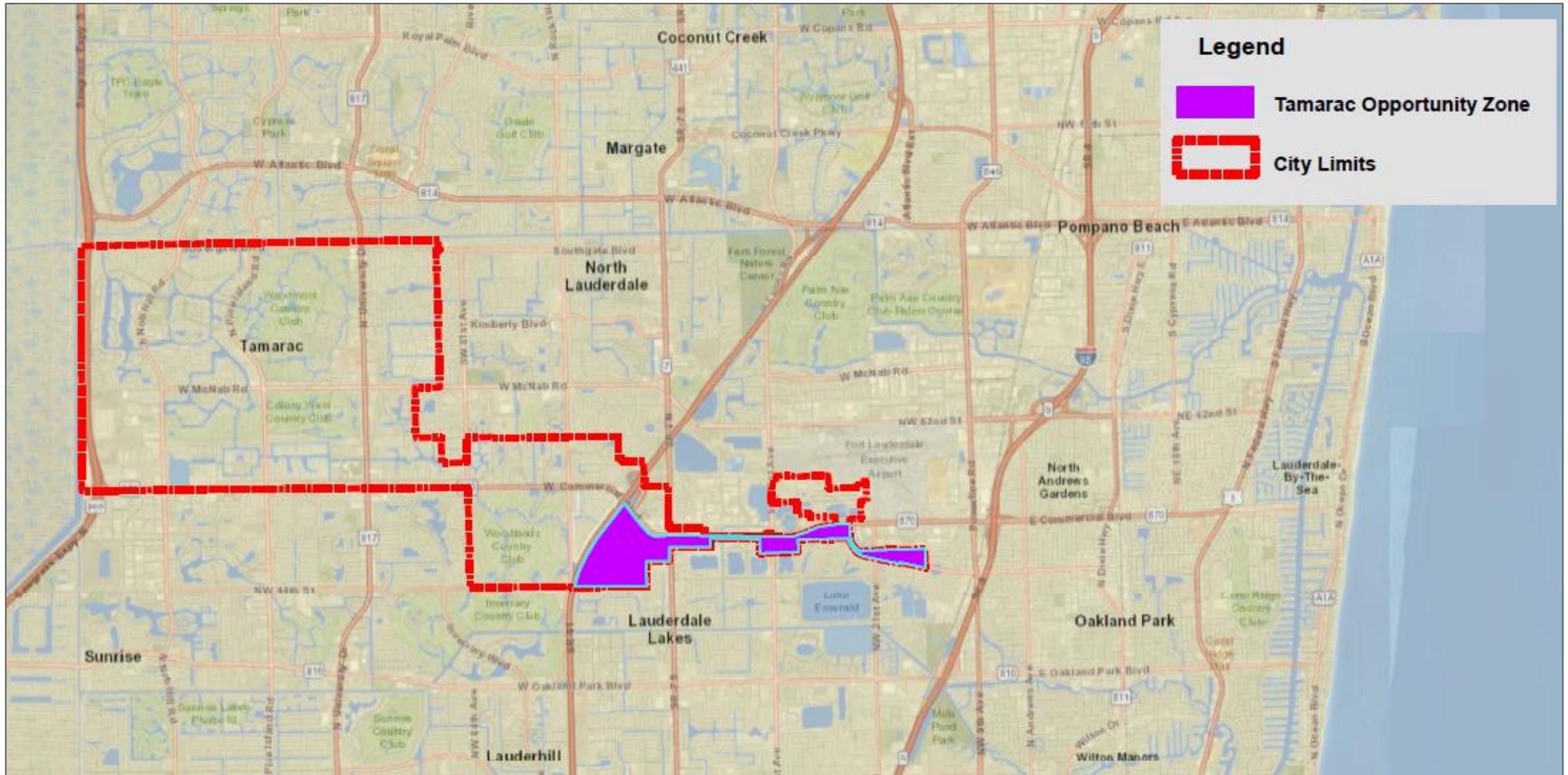
RICH AMENITIES

Tamarac offers rich amenities, parks and recreational offerings, contributing to an excellent quality of life for those living, working and visiting Tamarac.



REGIONAL CONTEXT TAMARAC'S OPPORTUNITY ZONES

City of Tamarac, Broward County, Florida



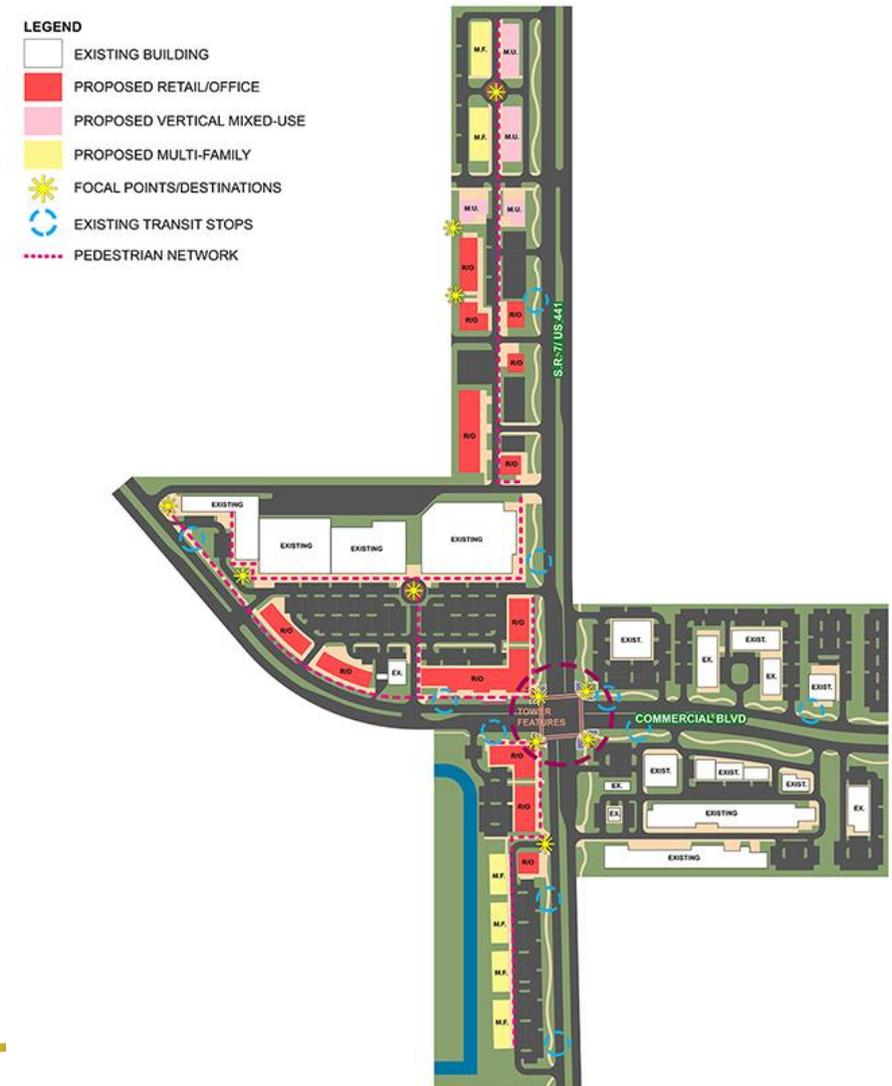
FOUR CORNERS SHOPPING REDEVELOPMENT AREA

Redevelopment Opportunity in the Opportunity Zone

A portion of Tamarac's Opportunity Zone is within the Four Corners Shopping District Redevelopment Area. An important retail shopping destination and gateway to Tamarac, the marketing analysis in the *2014 Commercial Arterial Redevelopment Study* identified demand at Four Corners for additional commercial development.

The City's goal is to amplify our retail at the Four Corners shopping destination along the intersection of Commercial Boulevard and US 441/SR 7. The Opportunity Zone includes the southern portion of the designated Four Corners Shopping Redevelopment Area on the south side of Commercial Boulevard.

Since the redevelopment study was published, hundreds of new additional residential units have been built within a 1-mile radius of this intersection; creating even more demand and an untapped opportunity for commercial investment.

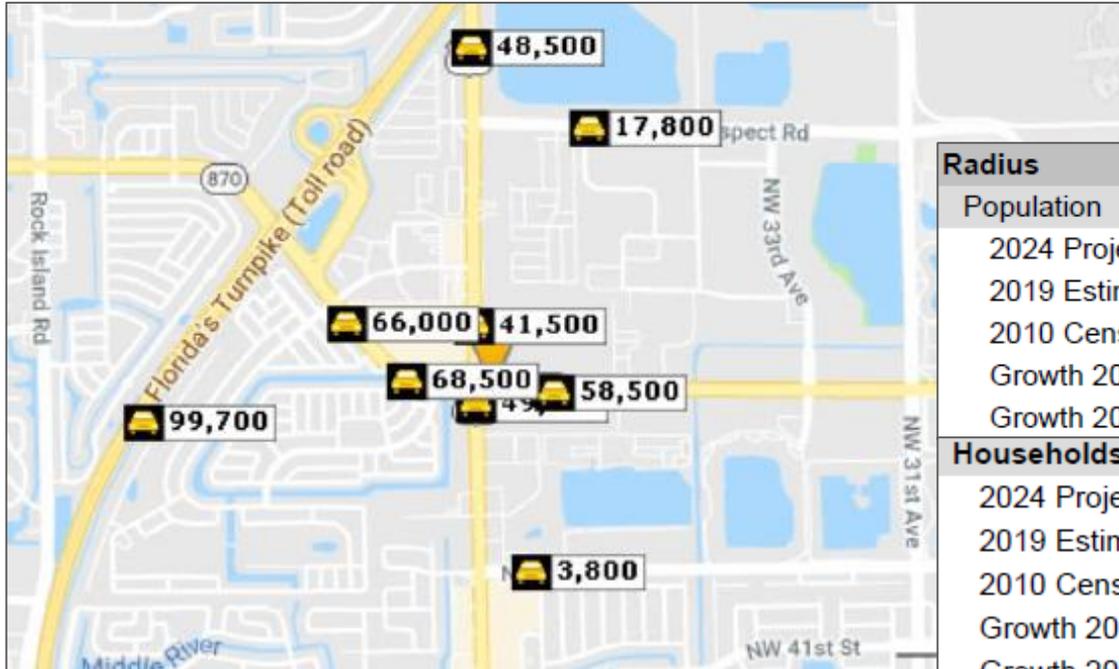


OPPORTUNITY ZONE DEMOGRAPHICS

FOUR CORNERS SHOPPING AREA

Commercial Boulevard & US 441/SR 7, Tamarac

Traffic Count Report – 2017 Data



Population, Household, Income Data with Growth Projections: *1-Mile, 3-Mile, 5-Mile Radius from the Four Corners Shopping District*

Radius	1 Mile	3 Mile	5 Mile
Population			
2024 Projection	17,960	208,299	522,809
2019 Estimate	16,843	197,684	497,118
2010 Census	13,682	174,892	445,530
Growth 2019 - 2024	6.63%	5.37%	5.17%
Growth 2010 - 2019	23.10%	13.03%	11.58%
Households			
2024 Projection	7,153	78,589	203,719
2019 Estimate	6,735	74,822	194,257
2010 Census	5,564	66,758	175,126
Growth 2019 - 2024	6.21%	5.03%	4.87%
Growth 2010 - 2019	21.05%	12.08%	10.92%
Owner Occupied	4,719 70.07%	44,171 59.03%	122,885
Renter Occupied	2,015 29.92%	30,650 40.96%	71,372
2019 Avg Household Income	\$49,793	\$52,806	\$57,668
2019 Med Household Income	\$39,105	\$41,399	\$43,780

OPPORTUNITY ZONE TAX INCENTIVES

The 2017 Federal Tax Cuts and Jobs Act established Internal Revenue Code Section 1400Z – Opportunity Zones

Tamarac’s role in the Opportunity Zones program is to connect Opportunity Fund funding with eligible projects. The City aims to foster commercial investment and development, as well as promote inclusive and equitable growth for existing businesses and residents, while at the same time creating a means for protecting them from displacement.



OPPORTUNITY ZONE TAX INCENTIVES

The 2017 Federal Tax Cuts and Jobs Act established Internal Revenue Code Section 1400Z – Opportunity Zones

What are Opportunity Zones?

Opportunity Zones are census tracts designated by the federal government, where investments receive preferential tax treatment under the Tax Cuts and Jobs Act of 2017. The idea is to spur economic development and job creation in these areas by providing tax incentives.

There are three core tax incentives:

Temporary deferral: A temporary deferral of inclusion in taxable income for capital gains reinvested into an Opportunity Fund. The deferred gain must be recognized on the earlier of the date on which the Opportunity Zone investment is disposed of or December 31, 2026.

Step-up in basis: A step-up in basis for the deferred capital gains reinvested in an Opportunity Fund. The basis is increased by 10% if the investment in the Opportunity Fund is held by the taxpayer for at least 5 years and by an additional 5% if held for at least 7 years, thereby excluding up to 15% of the original deferred gain from taxation.

Permanent exclusion: A permanent exclusion from taxable income of capital gains from the sale or exchange of an investment in an Opportunity Fund if the investment is held for at least 10 years. This exclusion only applies to gains accrued on investments made through an Opportunity Fund. There is no permanent exclusion possible for the initially deferred gain.

Two ways to invest in Opportunity Zones

All investments must be made through a Qualified Opportunity Fund (QOF) in order to qualify. QOFs can be created with the intention of purchasing a single or multiple assets. QOF's can either be used...

- 1) directly, to purchase or improve property, or
- 2) indirectly, to acquire equity interests in partnerships or corporations in the OZ.

ADDITIONAL OPPORTUNITY ZONE RESOURCES

U.S. Department of the Treasury | Community Development Financial Institutions Fund (CDFI) Opportunity Zones Resources:
www.cdfifund.gov/pages/opportunity-zones.aspx

Internal Revenue Service IRS | Opportunity Zones Frequently Asked Questions:
www.irs.gov/newsroom/opportunity-zones-frequently-asked-questions

Florida Department of Economic Opportunity | Opportunity Zones:
www.floridajobs.org/business-growth-and-partnerships/for-businesses-and-entrepreneurs/business-resource/opportunity-zones

Economic Innovation Group | Opportunity Zones:
www.eig.org/opportunityzones

CREModels | Qualified Opportunity Zone Resource Center for Real Estate Developers:
www.cremodels.com/opportunity-zones-real-estate-developers

Council of Development Finance Agencies Opportunity Zones:
www.cdfa.net/cdfa/cdfaweb.nsf/resourcecenters/OZ.html

Novogradac | Opportunity Zone Resource Center and Opportunity Funds Listing:
www.novoco.com/resource-centers/opportunity-zones-resource-center
www.novoco.com/resource-centers/opportunity-zone-resource-center/opportunity-funds-listing

NCSHA Opportunity Funds Directory:
www.ncsha.org/resource/opportunity-zone-fund-directory/

Disclaimer: The City of Tamarac does not specifically endorse resources posted here, and this information should not be considered legal or investment advice.





To learn more about investment and redevelopment opportunities in Tamarac,

Or if you have a Tamarac real estate or operating business project that you would like for potential investors to know about,

Please contact us:

CITY OF TAMARAC - ECONOMIC DEVELOPMENT OFFICE

(954) 597-3513

Kenneth.Lopez@Tamarac.gov